

Department of Health and Human Services

**Office of Inspector General
Projects**



**ADMINISTRATIONS FOR CHILDREN,
FAMILIES, AND AGING
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WELFARE REFORM

AFDC Overpayment Collections

This review will examine State practices for reporting and collecting Aid to Families with Dependent Children (AFDC) assistance overpayments and child support arrearages since welfare reform. Although the AFDC program has been repealed and replaced with Temporary Assistance for Needy Families (TANF), States must return the Federal share of AFDC overpayment recoveries to the Government. This requirement also applies to the collection of child support arrearages relating to AFDC families. A nonfederal audit in one State disclosed that the Federal Government had not been reimbursed for its share of recoveries.

OAS; W-00-00-20016; Various CINs

Technical Assistance to States

We will examine States' experiences with and perceptions of technical assistance provided by the Administration for Children and Families (ACF) to State TANF agencies and determine opportunities for improvement. Under welfare reform, one of ACF's major responsibilities is to provide technical assistance to State and local entities.

OEI; 00-00-00000

Work Participation Data

We will examine the quality and uniformity of State data reported to ACF on TANF recipients' work participation rates. The ACF uses these data to monitor program performance and, specifically, to determine if States have met their federally defined work participation target rates. The Personal Responsibility and Work Opportunity Reconciliation Act imposes financial penalties if States do not meet target rates.

OEI; 00-00-00000

Expected Issue Date: FY 2001

Performance Bonuses

We will determine whether States that received bonus funds reported reliable and accurate performance data. Recent amendments to the Social Security Act made \$1 billion available

over a 5-year period to reward States that achieved high performance levels under TANF. The first award of \$200 million will be made based on performance during Fiscal Year (FY) 1999.

OAS; W-00-00-20016; A-06-00-00000, A-07-00-00000

Recipient Sanction Policies

We will describe how States implemented recipient sanctions under the TANF program. The sanctions, which may be imposed for failure to meet program requirements, are one tool in moving welfare recipients into the work force. The extent to which they are used appropriately and support this goal is important for the success of the program. The number of recipients sanctioned has increased over the past 2 years.

OEI; 09-98-00290

Use of TANF Funds

This joint review will examine how States have used TANF funds and their strategies for using unobligated balances. In selected States, we will determine whether TANF funds were allocated and spent in accordance with applicable policies and procedures. Also, many States have a considerable surplus resulting from a significant caseload decrease. We will determine if there are other major factors influencing the surplus. This review will assist ACF in responding to a recent Office of Management and Budget (OMB) request for information on the States' use of TANF funds.

OAS; W-00-00-20016; A-05-00-00000, A-06-00-00000
OEI; 00-00-00000

CHILD CARE

Child Protective Service Effectiveness

We will determine whether State Child Protective Service referrals were properly prioritized and whether any service delays could result in further occurrences of child abuse and/or neglect. We will also examine recidivism rates and the extent of State outreach efforts to alert the community to the problem of child abuse.

OAS; W-00-99-20018; A-04-99-00130

Technical Assistance for Quality Child Care

We will examine the ACF Child Care Bureau's regional offices' experiences with the technical assistance they receive for supporting State child care agencies. The ACF contracts with private entities to coordinate technical assistance to States and regions. As States experience an increasing number of children in child care as a result of welfare reform, the technical assistance provided through these contracts will be critical to assist regions in supporting State agencies.

OEI; 07-97-00422

CHILD SUPPORT

Interstate Case Collections

We will determine whether the collection of child support across State lines has been enhanced as a result of the Uniform Interstate Protocol. This new protocol is intended to improve States' ability to establish, enforce, or modify a support order or to determine parentage across State lines. About 30 percent of child support cases are interstate cases. Differing State programs and the lack of an effective procedure to collect interstate child support have raised barriers to increased collections for these cases. The historical problems in collecting child support across State lines make a review of this new protocol timely.

OEI; 00-00-00000

Earnings of Noncustodial Parents

At the request of the Office of Child Support Enforcement and the Assistant Secretary for Planning and Evaluation, we will examine the earnings of a sample of noncustodial parents, review child support agency actions to collect sums owed, and determine increased collection opportunities. Nationally, child support collections are low; only about 30 percent of custodial families receive regular child support. Little empirical information exists on the actual earnings or earnings potential of noncustodial parents.

OEI; 05-99-00390

Welfare Recipient Cooperation

We will review State processes used to determine welfare recipient cooperation in establishing child support orders, including provisions that release recipients from cooperation obligations. In an effort to maximize child support collections, custodial parents receiving public assistance

are required to cooperate with authorities in locating absent parents for payment of child support. Cooperation includes providing the name of the father and any other information that was known by, or could be reasonably obtained from, the mother. Under welfare reform, child support offices take a more active role in obtaining cooperation.

OEI; 06-98-00040

Support Program for Noncustodial Parents

This review will assess State and local programs to provide group support, training, and incentives for unemployed and underemployed noncustodial parents and the programs' impact on preventing or reducing arrearages. An effective program could benefit custodial parents and States by increasing child support collections and decreasing enforcement costs.

OAS; W-00-00-20005; A-03-00-00000

State Child Support Fees

We will review State practices and procedures relating to the waiver, implementation, use, and reporting of child support enforcement fees. States may impose these fees on custodial or noncustodial parents who are not TANF recipients to cover processing costs, such as locator services and court fees. Custodial and noncustodial parents have expressed complaints about the fees imposed by States.

OAS; W-00-00-20005; A-07-00-00000

Penalties for Failure to Report New Hires

We will determine whether employers' compliance with requirements to report new hires increases as States impose stronger penalties for noncompliance. To improve child support collections, Federal law required all States to have a new hire directory in place by October 1, 1997. States have chosen to impose various penalties for employers that fail to report new hires to the State directory. While Federal law requires a penalty of \$25 per unreported employee, with a maximum of \$500, one State holds employers in contempt and responsible for lost child support when they fail to report their new employees.

OAS; W-00-00-20005; A-01-00-00000

Federal Parent Locator Service

We will examine implementation of the expanded Federal Parent Locator Service, a computerized national location network operated by the Office of Child Support Enforcement. The Personal Responsibility and Work Opportunity Reconciliation Act expanded the existing Locator Service by requiring ACF to develop a National Directory of New Hires and a Federal Case Registry of Child Support Orders. As a result, enhanced coordination among State new hire directories, case registries, and ACF will be necessary.

OEI; 00-00-00000

Expected Issue Date: FY 2001

Privatization of State IV-D Agency Services

This review will evaluate the adequacy of State agency controls and procedures for selecting and monitoring contractors that provide collection and payment processing services. We will determine whether States use performance-based contracts, conduct background checks, and examine contractor records to ensure effectiveness and minimize potential fraud and abuse. We will also review a sample of contractors. States are increasingly privatizing services once performed by State/county workers.

OAS; W-00-00-20005; A-03-00-00000

State Systems Operation and Maintenance Contracts

This review will examine the adequacy of States' procurement of operation and maintenance services for their child support management information systems. We also will determine whether States properly monitored contracts to ensure that deliverables were timely and met Federal standards. The ACF has encountered some difficulty in having States pursue full, open competition.

OAS; W-00-00-20005; A-07-00-00000

Court Administration Charges

To assist ACF, we will determine whether the costs claimed by a State Office of Court Administration, which provides child support enforcement services, are allowable, allocable, and reasonable. Costs associated with court filing fees; compensation of judges; and travel, training, and related office costs incurred by judges are not allowable for Federal reimbursement. From April 1, 1996, through March 31, 1997, the Office of Court

Administration claimed \$24.3 million for services related to the child support enforcement program. These costs have not previously been reviewed by State or Federal entities.

OAS; W-00-00-20005; A-02-00-00000

Medical Insurance Coverage: Detection and Coordination with Medicaid

We will determine the progress State child support enforcement agencies have made in detecting available dependent health insurance and coordinating the information with State Medicaid agencies. By law, Medicaid pays secondary to other insurance which may exist for beneficiary health care. This also pertains to dependents of absent parents for whom a court order requires that medical insurance be provided. Under a recent requirement, all child support orders enforced under the law must include a provision for health care coverage. If the absent parent changes jobs and the new employer provides health care coverage, the State must send notice of coverage (which serves to enroll the child in the health plan) to the new employer.

OEI; 07-97-00500

INVESTIGATIONS

Child Support Enforcement Task Force Model

The OIG's Office of Investigations and the Office of Child Support Enforcement developed a task force model that is currently being implemented in Columbus, Ohio, and Baltimore, Maryland. It calls for the Office of Investigations, U.S. Marshals, U.S. Attorney Offices in 15 districts, local law enforcement, local prosecutors, State child support agencies, and other interested parties to join forces in creating a coordinated effort to identify, investigate, and prosecute criminal nonsupport cases in seven States — Illinois, Ohio, Michigan, Maryland, Virginia, Delaware, and Pennsylvania — and the District of Columbia.

The task forces investigate intrastate as well as interstate cases, making the involvement of local law enforcement and prosecutors critical. The task force model will be exported to three other areas of the country during the fiscal year.

FOSTER CARE

Child Abuse and Neglect in Foster Care

The objectives of this review will be to evaluate States' efforts in (1) ensuring consistent application of criteria when identifying and investigating child abuse and neglect, (2) conducting central State registry background checks on all persons having contact with children in foster care, (3) maintaining and sharing information from the child abuse and neglect central registry, and (4) exchanging child-placing agencies' information on foster and adoptive parents who move from one agency to another.

OAS; W-00-00-20008; A-06-00-00000

State Oversight of Residential Foster Care

We will describe and evaluate State licensing and monitoring of residential foster care — 24-hour group care of children provided by paid staff unrelated to the children. Child welfare experts estimate that about 17 percent of all “out-of-home” care is provided by residential facilities. These experts have also raised concerns about the variance in State oversight of these institutions. This review is of interest to both ACF and the Child Welfare League of America.

OEI; 00-00-00000

Licensing and Oversight of Group Homes

We will determine whether one State's revised licensing and oversight requirements for foster care group homes (both in-State and out-of-State) have been properly implemented. These requirements include stringent provisions for comprehensive group home evaluation visits, qualifications for group home administrators, standardized training and continuing education of facility managers and child care workers, visits to group homes by social workers and probation officers, tightened controls over the placement of foster children in out-of-State facilities, and numerous other licensing and oversight requirements.

OAS; W-00-00-20008; A-09-00-00000

Therapeutic Foster Care Per Diem Rates

We will evaluate the criteria used to determine whether therapeutic foster care is needed and whether the need for continued care at that level is adequately supported. Children who are considered to be emotionally disturbed and who cannot be properly cared for in regular foster

care homes are placed in therapeutic foster care homes. Because these children require intensive monitoring and counseling, their per diem rates are considerably higher than rates for regular foster care. Our survey work in one State indicates that many children remained in therapeutic foster care homes after they no longer needed intense monitoring and counseling.

OAS; W-00-00-20008; A-05-00-00000

Cost Shifting of Juvenile Justice Costs

We will determine whether Title IV-E funds have been misused to pay for children in detention facilities, forestry camps, training schools, or other facilities operated primarily for the detention of children determined to be delinquent. Title IV-E funds are not authorized for such purposes. During our review of one State's emergency assistance program, we learned that the State had received Title IV-E foster care maintenance payments on behalf of children living in detention facilities.

OAS; W-00-00-20008; A-03-00-00000

Foster Care Claims Filed by States

We will determine whether Title IV-E claims filed by States are accurate, adequately supported, and comply with Federal eligibility requirements. We will review both retroactive and current claims. Previous work identified \$6.4 million in a State's prior-quarter adjustments that could not be supported. Similarly, an ACF review of a State's foster care claims determined that 42 percent of the cases and 46 percent of the dollars reviewed were ineligible in 1994. We believe that similar situations may exist in other States.

OAS; W-00-98-20008; A-04-98-00123, -00126

Use of Consultants to Maximize Revenue

We will review one State's use of contracts with consultants to maximize State revenue, such as that available through Federal grants. The consultants receive compensation based on a percentage of the new revenues they help to obtain. We will evaluate whether the costs of such services are inappropriately charged to the foster care program, either directly or indirectly, and the impact of such services on the program.

OAS; W-00-00-20008; A-09-00-00000

Barriers to Freeing Children for Adoption: Follow-up

We will review the progress child welfare programs have made in facilitating adoptive placements. The OIG's February 1991 report entitled "Barriers to Freeing Children for Adoption" (OEI-6-89-01640) focused on children in foster care who could not return to their families. The report identified a number of problems in the process of terminating parental rights which delayed or prevented children from leaving foster care and entering permanent adoptive homes. Since our report was issued, the Department has developed the Adoption 2002 initiative and the Congress has passed the Adoption and Safe Families Act of 1997, both of which are designed to facilitate the adoption of foster children.

OEI; 00-00-00000

Adoption and Foster Care Analysis and Reporting System

We will review State implementation of the Adoption and Foster Care Analysis and Reporting System. Under this management information system, States are required to collect case-specific data on all children in foster care for whom the State child welfare agency has responsibility for placement, care, or supervision. Also, States are required to collect data on all adopted children who were placed by the State child welfare agency and report semiannually. The Department provides over \$4 billion annually to States to support foster care programs. Reliable management data has become critical in measuring caseload activities.

OEI; 00-00-00000

HEAD START

Construction of Head Start Facilities

This review, requested by the ACF Region IX Administrator, will examine the implementation of Head Start program provisions for constructing Head Start facilities. It will include a review of ACF procedures for reviewing and approving grantees' applications for construction funds to ensure Head Start use of facilities after they are constructed. This review will follow up on a previous OIG review entitled "Review of Facility Purchases by the Head Start Program During Fiscal Years 1993 and 1994" (A-09-94-00085), issued in June 1996.

OAS; W-00-00-20009; A-09-00-00000

Renovation Costs of Head Start Facilities

This review will assess the Head Start program process for reviewing, negotiating, approving, and monitoring grantees' applications and funding of major facility renovations. The OIG's 1996 report on the acquisition of Head Start facilities (A-09-94-00085) noted that a major part of acquisition costs involved substantial renovations to the purchased facilities to bring them into compliance with program performance standards. It also noted the lack of program regulations and guidance in this area. Other OIG reviews also noted that grantees did not always obtain complete and professional estimates of the cost of such renovations, which affected their ability to complete the work on time and within budgeted costs.

OAS; W-00-00-20009; A-09-00-00000

DEVELOPMENTAL DISABILITIES

Criminal Background Checks on Caretakers of Individuals With Disabilities

We will determine whether States should require background checks of individuals working as caretakers of individuals with disabilities. Two previous reviews, one on elderly care providers and the other on child care providers, identified instances in which arrested and convicted individuals were employed as caregivers. Recent media reports on the deaths of mental health patients, along with requests by advocacy groups to look into the misuse of restraints and seclusion, have raised questions about the hiring practices of facilities that care for the disabled.

OAS; W-00-00-20010; A-01-00-00000

Expected Issue Date: FY 2001

Safeguarding Persons With Disabilities

This review will determine State procedures to identify, investigate, and resolve reports of abuse of persons with disabilities. We will determine the information that appropriate State and Federal agencies and protection and advocacy groups are collecting and whether the Department can use this information to evaluate the effectiveness of federally funded programs for the disabled.

OAS; W-00-99-20002; A-01-99-02500

Employment of People With Developmental Disabilities

As requested by the Administration on Developmental Disabilities, we will describe promising approaches and barriers to employment programs for people with developmental disabilities. The Administration on Developmental Disabilities funds State developmental disability

councils whose mission includes enhancing employment opportunities for such people. These councils carry out this work along with other State agencies and private employers.

OEI; 07-98-00260

OTHER ISSUES

Year 2000 Computer Renovation Plans

We will continue to evaluate ACF's efforts to meet Year 2000 computer renovation and validation goals. The Federal Government's Year 2000 strategy regarding computer systems places emphasis on ensuring that agencies' mission-critical systems are Year 2000 compliant before December 31, 1999, to avoid widespread system failures. This review is part of our Departmentwide Year 2000 compliance review.

OAS; W-00-98-40007; A-12-98-02000

Social Services and Targeted Assistance Programs

We will evaluate the States' administration and operation of the Social Services and Targeted Assistance Programs for refugees. Prior reviews have shown deficiencies relating to States' contracting for employment services, oversight of contractors, and use of funds.

OAS; W-00-00-20017; A-04-00-00000

Verification of Immigrant Status and Citizenship

We will review implementation of immigration and citizenship verification procedures required by 1996 welfare reform legislation. The statute restricts access to Federal public benefits, including child welfare, TANF, Medicaid, and Developmental Disabilities, to certain qualified aliens. Qualified aliens include legal permanent residents, asylees, and refugees and exclude undocumented aliens and aliens admitted on a temporary basis for work, study, or pleasure. This review will determine (1) provider and recipient awareness of eligibility criteria, (2) the nature and extent of verification procedures, and (3) the impact of verification procedures on providers and applicants. Information from this review will be of interest to the HHS work group on immigration.

OEI; 00-00-00000

Data Used to Support Performance Measures

We will examine ACF's use of State-supplied data for performance measurement in one or more major programs, including TANF. In passing the Government Performance and Results Act, the Congress emphasized that the usefulness of agency performance reports was largely dependent on congressional confidence in the reported data. We will determine whether ACF takes adequate steps to screen State data for reliability and whether selected States have adequate controls in place to ensure that their data are reliable and valid.

OAS; W-00-00-20002; A-03-00-00000, A-07-00-00000

State Agency Child Welfare Information System

We will conduct a joint programmatic and fiscal review of the State Agency Child Welfare Information System. This HHS-financed computer system (75 percent matching for implementation) is designed to allow child welfare workers on-line access to other State human service and health programs, such as TANF, child support, and Medicaid. The system is intended to help with case management, thus allowing child welfare workers more time for supporting the needs of children and their families. By FY 2003, Federal and State costs for the system will total about \$1.6 billion. We will address the reliability of the data, the effectiveness and impact of the system, and the appropriateness of costs charged.

*OAS; W-00-00-20002; A-02-00-00000
OEI; 00-00-00000*

ADMINISTRATION ON AGING

Funding the Aging Network

We will describe the response of State units on aging and area agencies on aging to a static funding level under the Older Americans Act and the effect on services to older Americans. The Administration on Aging (AoA) funding to the aging agency network has remained essentially unchanged at about \$850 million for most of the 1990's. In response to level funding and an increased demand for services, State units on aging have sought funding from other Federal sources. We will determine how the additional funding sources have changed the service package offered to the traditional AoA population.

OEI; 00-00-00000